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Maryland
Department of Economic & Employment Development

# LABOR MARKET DIMENSIONS

## A Monthly Report on the Dynamics of the Labor Market in Maryland

**December, 1990**

**Maryland Department of Economic and Employment Development**
**Office of Labor Market Analysis and Information**
**1100 North Eutaw Street**
**Baltimore, Maryland 21201**

**William Donald Schaefer, Governor**
**J. Randall Evans, Secretary**

# LABOR MARKET DIMENSIONS
# DECEMBER, 1990

## MARYLAND

Maryland continued to experience rising unemployment during December, providing further evidence that the statewide job market is contracting amidst the national economic slowdown. Against this backdrop, employment declined during December, causing the statewide jobless rate to move forward from 5.3 percent in November to 6.0 percent in December.

With this increase, unemployment in Maryland rose above the national estimate for the first time in nearly a decade. Nationally, December's unemployment estimate rose to 5.9 percent, up from November's rate of 5.8 percent.

While the incidence of cyclical unemployment tends to increase in many industries during the winter months, these cutbacks are normally moderated by seasonal hiring during December. From an historical perspective, these movements help to make December's unemployment rate one of the lowest during the year. This year, however, over the month developments not only inhibited hiring activity but, also, caused some businesses to scale back due to slower demand. As a result, employment dropped back by 30,256 to 2,335,981 in December, resulting in a 16,285 increase in joblessness across the state. December's unemployment level of 148,161 is the highest count of unemployed persons seen since mid 1983.

| | December 1990 | November 1990 | December 1989 |
|---|---|---|---|
| Civilian Labor Force | 2,484,142 | 2,498,113 | 2,524,173 |
| Total Employment | 2,335,981 | 2,366,237 | 2,443,563 |
| Total Unemployment | 148,161 | 131,876 | 80,610 |
| Unemployment Rate | 6.0 | 5.3 | 3.2 |
| National Civilian Unemployment Rate | 5.9 | 5.8 | 5.1 |

The upturn in unemployment over the past few months will undoubtedly affect the final determination of labor market indicators for the year 1990. Based on preliminary estimates, unemployment for 1990 will hover around 4.2 percent, up from 1989's average of 3.7 percent.

TOTAL UNEMPLOYMENT - MARYLAND AND REGIONS

| Region | December 1990 | | November 1990 | |
|---|---|---|---|---|
| | Number | Rate | Number | Rate |
| Maryland | 148,161 | 6.0 | 131,876 | 5.3 |
| Baltimore Metropolitan Area | 80,717 | 6.8 | 66,886 | 5.6 |
| Maryland's D.C. Suburbs | 41,038 | 4.2 | 39,228 | 4.0 |
| Western Maryland | 10,028 | 9.5 | 8,869 | 8.4 |
| Balance of State | 16,378 | 7.9 | 16,894 | 8.0 |

## INDUSTRY DEVELOPMENTS

The softening in the economy was particularly evident in the performance of Maryland's industrial payrolls during December. The number of jobs provided by employers in the state dropped back by an estimated 11,900 to 2,175,600 during December, with declines occurring in almost every major industry line. For the first time this year, the current job count is below year ago levels. Last December, the job count included about 2,400 more jobs, for a total of 2,178,000.

Job losses during December were particularly heavy in the goods-producing industries. The most notable weakness occurred in construction where job losses, while not unexpected, have been much deeper than the norm over the past few months. During December, construction employment was cutback by about 7,300 jobs, a decline which touched both indoor and outdoor activity. Nearly two-thirds of the overall drop in construction, however, occurred among special trade contractors. In manufacturing, slower demand lowered employment needs in a number of industries such as paper products, industrial machinery, instruments and stone products. These declines were in addition to normal seasonal layoffs in food processing and an unexpected reduction in the auto industry. In all, manufacturing payrolls dwindled by 4,400 jobs. Manufacturing employment, at 197,900 in December, is at its lowest level on record going back to 1980.

While overall employment in manufacturing declined over the month, there was a slight increase, from 41.1 to 41.2, in the number of hours worked each week by production workers. This increase, however, failed to raise weekly paychecks since hourly earnings declined by $.14 over the month to $11.66 in December. The durable goods workweek rose by 0.7 of an hour, with a lengthening of workweeks reported in all durable goods industries with the exception of primary metals and stone, clay and glass products. Of those industries reporting longer workweeks, transportation equipment was the only industry where earnings declined. A drop in hourly earnings, of $1.14, reduced weekly paychecks in this industry from $628.06 in November to $610.88 in December. On the nondurables side, the average workweek fell below 40 hours to 39.8 in December. This reduction in hours resulted in a lowering of weekly paychecks from $450.24 to $444.17. Paychecks dwindled in each of the nondurable industries with the exception of textile mill products where a lengthening in the workweek yielded a paycheck of $274.76, up from $271.58 in November.

On the service-producing side of the economy, employment also declined during December, however, losses were limited to just 200 jobs. In hotels, amusements, agricultural services and business services, seasonal layoffs lowered employment totals. The employment needs in local restaurants also declined during December as consumers began to pull back on discretionary spending. Meanwhile, the beginning of semester breaks caused temporary cutbacks at colleges and universities, in educational services and in state and local education. Countering these movements, hiring activity was reported in general merchandise and apparel stores, food stores, health services, trucking and local government.

MARYLAND
NONAGRICULTURAL PAYROLL EMPLOYMENT* BY INDUSTRY
BY PLACE OF EMPLOYMENT
(IN THOUSANDS)
DECEMBER 1990

| Major Industry Group | December 1990 | November 1990 | December 1989 |
|---|---|---|---|
| Total Nonagricultural Employment | 2,175.6 | 2,187.5 | 2,178.0 |
| Goods Producing | 357.0 | 368.7 | 369.1 |
| Mining | 1.7 | 1.7 | 1.7 |
| Construction | 157.4 | 164.7 | 158.6 |
| Manufacturing | 197.9 | 202.3 | 208.8 |
| Durable Goods | 100.2 | 104.2 | 109.9 |
| Nondurable Goods | 97.7 | 98.1 | 98.9 |
| Service Producing | 1,818.6 | 1,818.8 | 1,808.9 |
| Transportation & Public Utilities | 104.4 | 104.2 | 103.3 |
| Trade | 553.0 | 549.8 | 558.4 |
| Wholesale Trade | 113.8 | 114.0 | 113.4 |
| Retail Trade | 439.2 | 435.8 | 445.0 |
| Finance, Insurance, & Real Estate | 132.8 | 132.8 | 132.2 |
| Services | 601.6 | 604.9 | 594.9 |
| Total Government | 426.8 | 427.1 | 420.1 |
| Federal | 135.2 | 135.6 | 134.7 |
| State | 98.6 | 98.9 | 97.2 |
| Local | 193.0 | 192.6 | 188.2 |

* The count is of jobs, not workers. It includes full and part-time wage earners employed during pay period including the 12th of the month.

NOTE: Figures may not add to totals due to rounding.

Current data preliminary; previous month revised.

Additional industry detail available upon request.

Prepared in conjunction with the U.S. Department of Labor, Bureau of Labor Statistics.

## HOURS AND EARNINGS OF PRODUCTION WORKERS IN SELECTED MANUFACTURING INDUSTRIES
## DECEMBER 1990

| Major Industry Grouping | AVERAGE WEEKLY HOURS | | AVERAGE WEEKLY EARNINGS | | AVERAGE HOURLY EARNINGS | |
|---|---|---|---|---|---|---|
| | Dec. 1990 | Nov. 1990 | Dec. 1990 | Nov. 1990 | Dec. 1990 | Nov. 1990 |
| MARYLAND | | | | | | |
| Manufacturing | 41.2 | 41.1 | $480.39 | $484.98 | $11.66 | $11.80 |
| Durable Goods | 42.8 | 42.1 | 522.59 | 523.72 | 12.21 | 12.44 |
| Lumber and Wood Products | 39.7 | 39.5 | 365.64 | 355.50 | 9.21 | 9.00 |
| Stone, Clay & Glass Products | 44.2 | 44.5 | 499.46 | 505.08 | 11.30 | 11.35 |
| Primary Metal Industries | 43.1 | 43.6 | 680.55 | 687.14 | 15.79 | 15.76 |
| Blast Furnaces | 43.5 | 44.0 | 693.83 | 697.40 | 15.95 | 15.85 |
| Fabricated Metals | 41.5 | 41.0 | 443.64 | 433.78 | 10.69 | 10.58 |
| Industrial Machinery | 42.5 | 41.6 | 530.40 | 512.93 | 12.48 | 12.33 |
| Electronic Equipment | 46.6 | 45.7 | 441.30 | 431.41 | 9.47 | 9.44 |
| Transportation Equipment | 41.5 | 39.6 | 610.88 | 628.06 | 14.72 | 15.86 |
| Instruments and Related Products | 42.6 | 42.3 | 590.01 | 587.97 | 13.85 | 13.90 |
| Miscellaneous Manufacturing Indus. | 41.0 | 40.5 | 397.70 | 386.78 | 9.70 | 9.55 |
| Nondurable Goods | 39.8 | 40.2 | 444.17 | 450.24 | 11.16 | 11.20 |
| Food and Kindred Products | 40.1 | 40.8 | 417.84 | 427.18 | 10.42 | 10.47 |
| Textile Mill, Apparel | 36.2 | 35.5 | 274.76 | 271.58 | 7.59 | 7.65 |
| Paper and Allied Products | 43.0 | 42.7 | 498.80 | 506.00 | 11.60 | 11.85 |
| Printing and Publishing | 37.0 | 37.8 | 493.95 | 498.96 | 13.35 | 13.20 |
| Chemicals and Allied Products | 43.0 | 43.3 | 552.55 | 559.00 | 12.85 | 12.91 |
| Rubber and Plastic Products | 43.0 | 43.5 | 425.70 | 427.61 | 9.90 | 9.83 |
| BALTIMORE METROPOLITAN AREA | | | | | | |
| Manufacturing | 41.4 | 41.5 | $501.77 | $509.21 | $12.12 | $12.27 |
| Durable Goods | 42.2 | 41.6 | 536.36 | 542.05 | 12.71 | 13.03 |
| Nondurable Goods | 40.6 | 41.3 | 467.71 | 473.71 | 11.52 | 11.47 |

# REGIONAL ECONOMICS

## BALTIMORE METROPOLITAN AREA

In the Baltimore Metropolitan Area, declining employment caused joblessness in the region to rise from 5.6 percent to 6.8 percent. The Baltimore Metro Area assumed a disproportionate share of the statewide unemployment increase during December. About eight out of every ten workers who joined the state's unemployment rolls resided in the BMA. Unemployment advanced throughout the region, with jobless rates ranging from a low of 4.0 percent in Howard County to a high of 9.8 percent in Baltimore City. Layoffs in the auto industry impacted noticeably upon activity within the jurisdictions. These layoffs, combined with a number of holiday shutdowns, were responsible for reducing the region's manufacturing payrolls by an estimated 3,400 jobs during December.

## MARYLAND D.C. AREA SUBURBS

In Maryland's D.C. suburbs, unemployment also rose, by 0.2 percentage points, to 4.2 percent in December. Unemployment in the suburban area, while significantly below that of the state's other regions, has not been this high since early 1984. Locally, monthly changes were relatively minor with the exception of those in Calvert and Frederick counties. In Calvert, where the unemployment rate shot up from 5.2 percent to 6.0 percent, a relatively sizeable layoff was initiated by a supermarket chain. Frederick County's increase, from 5.9 percent to 6.6 percent, was fueled by continuing job losses in manufacturing and construction and by layoffs in local government.

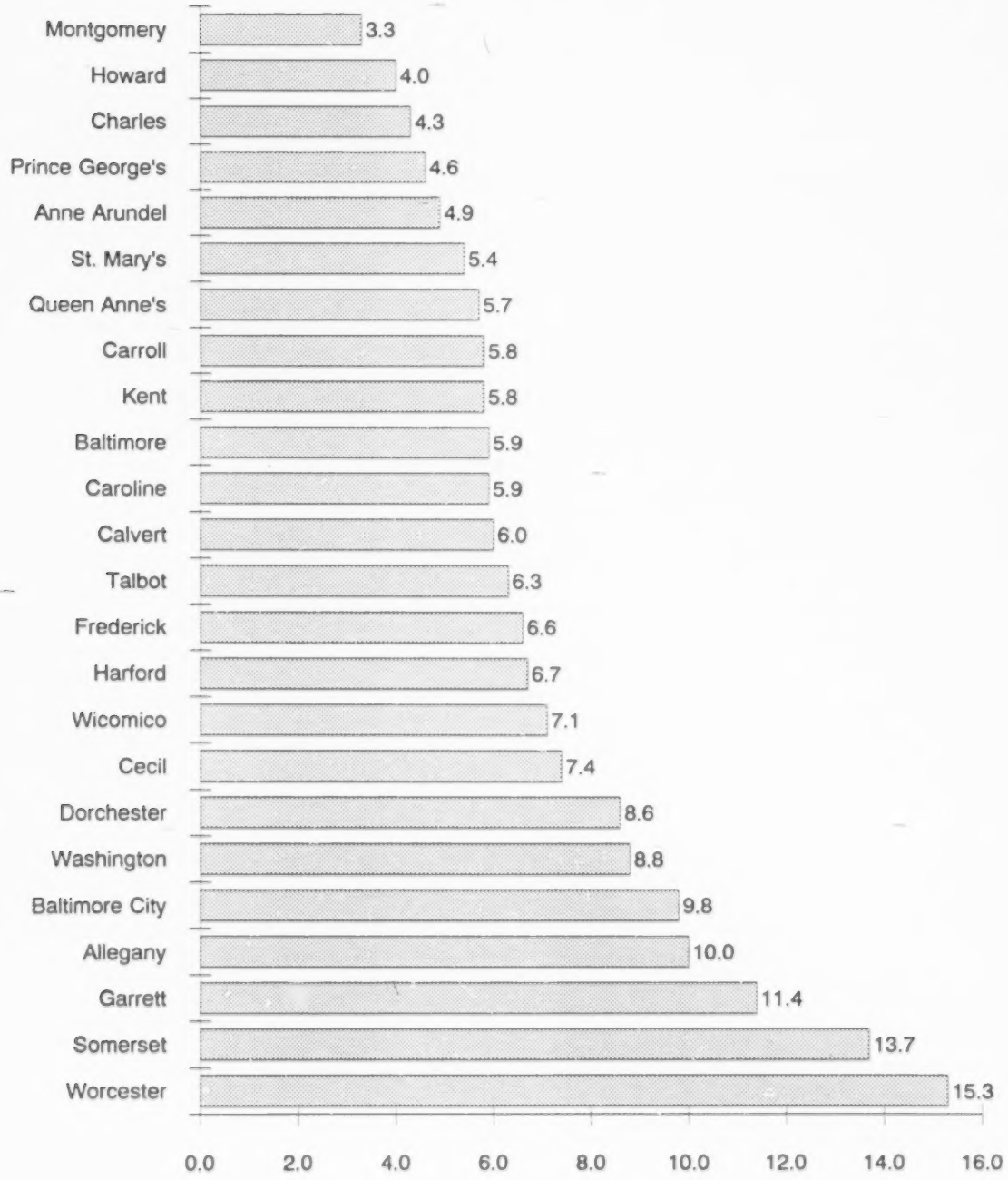
## WESTERN MARYLAND

Labor force patterns in Western Maryland were relatively consistent with those statewide. The unemployment impact in the Western region, however, was exaggerated even further by the fact that very few residents chose to leave the labor force upon becoming unemployed. As a result, more than three-fourths of the regional employment decline was reflected on the unemployment rolls. During December, an estimated 9.5 percent of the labor force, or slightly more than 10,000 persons, were counted among the unemployed, up from 8.4 percent, or 8,869 persons, in November. Washington County residents were the most sorely affected by rising joblessness. Unemployment in the county rose from 7.4 percent to 8.8 percent, with layoffs scattered throughout the construction and manufacturing industries.

## BALANCE OF STATE

In the Southern Maryland and Eastern Shore areas, where local unemployment trends were mixed, the net result was a slight drop in the regional jobless rate from 8.0 percent to 7.9 percent. In those counties where unemployment rates subsided, labor force declines helped to stave off rising joblessnes. Seasonal factors were at work throughout the region, with end of season layoffs in food processing, agribusiness and eating and drinking establishments. In addition, a number of holiday shutdowns, particularly in manufacturing, were reported. Locally, unemployment rates ranged from a low of 5.4 percent in St. Mary's to a high of 15.3 percent in Worcester. Of note is the fact that Talbot County, while demonstrating a monthly increase in unemployment, was the only county in the state to experience an over the year drop in joblessness.

## LOCAL UNEMPLOYMENT RATES-DECEMBER 1990



NONAGRICULTURAL PAYROLL EMPLOYMENT* BY INDUSTRY - BY PLACE OF EMPLOYMENT
(in thousands)
BY REGION--DECEMBER 1990

| Major Industry Grouping | BALTIMORE METROPOLITAN AREA | | MARYLAND PORTION D.C. SUBURBS | | WESTERN MARYLAND | | BALANCE OF STATE | |
|---|---|---|---|---|---|---|---|---|
| | Dec.1990 | Nov.1990 | Dec.1990 | Nov.1990 | Dec.1990 | Nov.1990 | Dec.1990 | Nov.1990 |
| Total Nonagricultural Employment | 1,156.6 | 1,159.9 | 789.5 | 790.0 | 93.5 | 93.9 | 142.7 | 143.9 |
| Goods Producing | 196.7 | 202.6 | 105.7 | 106.9 | 22.9 | 23.5 | 34.2 | 34.8 |
| Mining | 0.3 | 0.3 | 0.5 | 0.5 | 0.7 | 0.7 | 0.2 | 0.2 |
| Construction | 73.9 | 76.4 | 68.5 | 69.7 | 6.4 | 6.8 | 10.0 | 10.3 |
| Manufacturing | 122.5 | 125.9 | 37.2 | 37.2 | 15.8 | 16.0 | 24.0 | 24.3 |
| Durable Goods | 66.2 | 69.5 | 18.8 | 18.8 | 7.3 | 7.3 | 9.3 | 9.3 |
| Nondurable Goods | 56.3 | 56.4 | 18.4 | 18.4 | 8.5 | 8.7 | 14.7 | 15.0 |
| Service Producing | 959.9 | 957.3 | 683.8 | 683.1 | 70.6 | 70.4 | 108.5 | 109.1 |
| Transportation & Public Utilities | 57.6 | 57.6 | 33.3 | 33.3 | 5.2 | 5.2 | 8.0 | 8.0 |
| Trade | 285.5 | 282.5 | 205.6 | 203.1 | 26.3 | 26.1 | 36.4 | 36.9 |
| Wholesale Trade | 67.7 | 67.7 | 36.2 | 35.8 | 4.4 | 4.4 | 6.0 | 6.1 |
| Retail Trade | 217.8 | 214.8 | 169.4 | 167.3 | 21.9 | 21.7 | 30.4 | 30.8 |
| Finance, Insurance, & Real Estate | 76.5 | 76.6 | 46.1 | 46.2 | 3.3 | 3.3 | 5.1 | 5.2 |
| Services | 323.8 | 324.2 | 227.3 | 228.9 | 20.4 | 20.3 | 32.0 | 32.0 |
| Total Government | 216.5 | 216.4 | 171.5 | 171.6 | 15.4 | 15.5 | 27.0 | 27.0 |
| Federal | 54.5 | 54.8 | 74.3 | 74.2 | 1.8 | 1.9 | 6.9 | 6.9 |
| State | 67.3 | 67.4 | 21.1 | 21.3 | 4.9 | 4.9 | 5.8 | 5.8 |
| Local | 94.7 | 94.2 | 76.1 | 76.1 | 8.7 | 8.7 | 14.3 | 14.3 |

*The count is of jobs, not workers. It includes full and part-time wage earners employed during pay period including the 12th of the month.

NOTE: Figures may not add to totals due to rounding.

Additional industry detail available upon request. Current data preliminary; previous month revised.

Prepared in conjunction with the U.S. Department of Labor, Bureau of Labor Statistics.

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STATE OF MARYLAND
CIVILIAN LABOR FORCE, EMPLOYMENT, AND UNEMPLOYMENT
BY PLACE OF RESIDENCE

DECEMBER 1990

| AREA | CIVILIAN LABOR FORCE | | EMPLOYMENT | | UNEMPLOYMENT | | UNEMPLOYMENT RATE | | |
|---|---|---|---|---|---|---|---|---|---|
| | DECEMBER | NOVEMBER* | DECEMBER | NOVEMBER* | DECEMBER | NOVEMBER* | DECEMBER | NOVEMBER* | DEC. 1989 |
| MARYLAND | 2,484,142 | 2,498,113 | 2,335,981 | 2,366,237 | 148,161 | 131,876 | 6.0 | 5.3 | 3.2 |
| BALTIMORE METROPOLITAN AREA | 1,192,056 | 1,194,736 | 1,111,339 | 1,127,850 | 80,717 | 66,886 | 6.8 | 5.6 | 3.3 |
| BALTIMORE CITY | 341,976 | 340,872 | 308,308 | 312,888 | 33,668 | 27,984 | 9.8 | 8.2 | 5.4 |
| ANNE ARUNDEL | 211,126 | 212,347 | 200,752 | 203,735 | 10,374 | 8,612 | 4.9 | 4.1 | 2.2 |
| BALTIMORE | 385,826 | 387,391 | 362,930 | 368,322 | 22,896 | 19,069 | 5.9 | 4.9 | 2.9 |
| CARROLL | 62,536 | 62,623 | 58,901 | 59,776 | 3,635 | 2,847 | 5.8 | 4.5 | 2.0 |
| HARFORD | 82,704 | 82,868 | 77,194 | 78,340 | 5,510 | 4,528 | 6.7 | 5.5 | 3.2 |
| HOWARD | 92,127 | 92,872 | 88,396 | 89,709 | 3,731 | 3,163 | 4.0 | 3.4 | 1.7 |
| QUEEN ANNE'S | 15,762 | 15,762 | 14,859 | 15,079 | 903 | 683 | 5.7 | 4.3 | 2.3 |
| D. C. AREA | 979,144 | 986,487 | 938,106 | 947,259 | 41,038 | 39,228 | 4.2 | 4.0 | 2.3 |
| CALVERT | 23,180 | 23,208 | 21,783 | 21,995 | 1,397 | 1,213 | 6.0 | 5.2 | 2.9 |
| CHARLES | 46,709 | 47,010 | 44,691 | 45,127 | 2,018 | 1,883 | 4.3 | 4.0 | 2.1 |
| FREDERICK | 77,303 | 77,443 | 72,197 | 72,901 | 5,106 | 4,542 | 6.6 | 5.9 | 2.6 |
| MONTGOMERY | 418,712 | 422,184 | 405,027 | 408,979 | 13,685 | 13,205 | 3.3 | 3.1 | 1.9 |
| PRINCE GEORGE'S | 413,239 | 416,640 | 394,408 | 398,256 | 18,831 | 18,384 | 4.6 | 4.4 | 2.7 |
| WESTERN MARYLAND | 105,461 | 105,771 | 95,433 | 96,902 | 10,028 | 8,869 | 9.5 | 8.4 | 5.5 |
| ALLEGANY | 32,574 | 32,700 | 29,324 | 29,706 | 3,250 | 2,994 | 10.0 | 9.2 | 5.5 |
| GARRETT | 12,821 | 12,977 | 11,357 | 11,525 | 1,464 | 1,452 | 11.4 | 11.2 | 6.0 |
| WASHINGTON | 60,066 | 60,094 | 54,752 | 55,671 | 5,314 | 4,423 | 8.8 | 7.4 | 5.3 |
| BALANCE OF STATE | 207,479 | 211,119 | 191,101 | 194,225 | 16,378 | 16,894 | 7.9 | 8.0 | 5.4 |
| CAROLINE | 13,940 | 13,970 | 13,117 | 13,159 | 823 | 811 | 5.9 | 5.8 | 3.6 |
| CECIL | 34,934 | 35,466 | 32,343 | 32,647 | 2,591 | 2,819 | 7.4 | 7.9 | 5.4 |
| DORCHESTER | 17,410 | 18,332 | 15,913 | 16,462 | 1,497 | 1,870 | 8.6 | 10.2 | 4.8 |
| KENT | 8,968 | 9,447 | 8,450 | 8,855 | 518 | 592 | 5.8 | 6.3 | 5.3 |
| ST. MARY'S | 41,400 | 41,552 | 39,168 | 39,443 | 2,232 | 2,109 | 5.4 | 5.1 | 4.1 |
| SOMERSET | 12,763 | 13,021 | 11,019 | 11,402 | 1,744 | 1,619 | 13.7 | 12.4 | 6.2 |
| TALBOT | 17,898 | 17,941 | 16,768 | 16,864 | 1,130 | 1,077 | 6.3 | 6.0 | 6.9 |
| WICOMICO | 40,698 | 41,506 | 37,828 | 37,999 | 2,870 | 3,507 | 7.1 | 8.4 | 5.7 |
| WORCESTER | 19,468 | 19,884 | 16,495 | 17,394 | 2,973 | 2,490 | 15.3 | 12.5 | 8.2 |
| [1] UNITED STATES | 124,630,000 | 124,821,000 | 117,287,000 | 117,611,000 | 7,343,000 | 7,211,000 | 5.9 | 5.8 | 5.1 |

*Estimates for the state are revised.

[1] Source: U. S. Department of Labor, Bureau of Labor Statistics

NOTE: Figures may not add due to rounding. These are estimates relating to the week of the 12th of each month. The count is of persons not jobs. All data are not seasonally adjusted.

Maryland
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